

Morning Alert - Monday, July 9, 2018

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HEADLINES

Morning news

All networks gave extensive coverage to the record rainfall in western Japan over the weekend, saying that the death toll has reached 89 and 58 people remain missing.

There were no papers published this morning due to a press holiday.

INTERNATIONAL

U.S., Japan, ROK foreign ministers agree to maintain sanctions until complete denuclearization

All networks reported on Sunday evening that Secretary of State Pompeo, FM Kono, and South Korean FM Kang held a trilateral meeting at MOFA earlier in the day, saying that the Secretary briefed his counterparts on his talks with North Korean officials and expressed the view that a certain degree of progress had been made in how to move forward with the denuclearization process. The Secretary reportedly said he raised the abduction issue in North Korea. According to the network, the three ministers agreed to work closely toward North Korea's complete, verifiable, and irreversible denuclearization and the elimination of ballistic missiles and maintain sanctions until complete denuclearization is realized. The Secretary reportedly said at a joint press conference that it will take time to map out a concrete schedule for denuclearization and stressed that pressure will be maintained on the North through sanctions. NHK showed the Secretary saying: "North Korea must fulfill its commitments to denuclearize. Sanctions will remain in place until final, fully-verified denuclearization."

NHK reported that visiting Secretary Pompeo met with PM Abe at the Kantei earlier in the day, saying that the premier expressed hope to strengthen cooperation with the U.S. given that resolving

North Korea's nuclear, missile, and abduction issues are extremely important not only for Japan but also for regional peace and stability. The network said the Secretary told Abe that he discussed with North Korea the nuclear and abduction issues as well as various issues of importance to the U.S., Japan, and the world.

U.S., DPRK agree to set up working groups to verify denuclearization

All national dailies wrote on Sunday that Secretary Pompeo and Vice Chairman Kim Yong Chol of the Workers' Party of Korea agreed at their talks in Pyongyang to set up multiple working groups tasked with the verification of the denuclearization process and other issues. Mainichi conjectured that the DPRK may insist that such issues as security assurances and economic assistance be discussed before the verification of denuclearization.

Yomiuri wrote that State Department Spokesperson Nauert told reporters on Saturday that the Secretary had been "very firm" on three basic goals: the complete denuclearization of North Korea, regime guarantee, and the repatriation of U.S. remains from the 1950-53 Korean War. The paper added, though, that it is not yet known to what extent the DPRK disclosed information about its nuclear facilities at its latest talks with the United States.

DPRK criticizes U.S. for making "one-sided demands"

All Sunday papers reported on the DPRK's criticism of the United States following their talks in Pyongyang on Friday and Saturday between Secretary of State Pompeo and Vice Chairman Kim Yong Chol. The official Korean Central News Agency carried a statement of a foreign ministry spokesperson saying, "The attitude and the position of the United States are extremely regrettable."

Yomiuri speculated that the United States and the DPRK are apparently engaged in a "tug-of-war" over how to proceed with their future negotiations on denuclearization, pointing out that the United States emphasized the results of the two-day talks in Pyongyang, but the DPRK criticized the attitude of the U.S. team. Asahi claimed that differences have emerged between the United States and the DPRK in their assessments of their talks in Pyongyang, saying that although the Secretary reportedly told the press ahead of his departure from Pyongyang, "These are complicated issues, but we made progress on almost all the central issues," Pyongyang criticized Washington for "leading to a dangerous phase that might shake our willingness to denuclearize." The paper wrote that although the DPRK appears to remain confident in President Trump, it criticized the United States for "making 'one-sided and gangster-like' demands for the complete, verifiable, and irreversible denuclearization of North Korea." The paper speculated that Chairman Kim Jong Un is becoming increasingly confident about his talks with Washington by winning China's agreement on security assurances and economic assistance.

In a related story, NHK said on Sunday that the Secretary reportedly said at the joint trilateral press conference: "If those requests were gangster-like, then the world is a gangster because there was a unanimous decision at the UN Security Council."

UN aid chief to visit North Korea

Saturday evening's Nikkei wrote that the United Nations announced on Friday that Mark Lowcock, UN Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, will visit North Korea from July 9 to 12. The paper wrote that it will be the first visit to the country by a senior UN humanitarian official since 2011.

Japan-China communication mechanism not yet working effectively

Sunday's Yomiuri wrote that although one month has passed since Japan and China began operating their air and maritime communication mechanism to avoid inadvertent incidents involving the Chinese military and the SDF, the effectiveness of the mechanism is not yet known because a hotline between senior officials of the Chinese military and the SDF has not yet been set up and the area of the mechanism's coverage remains vague.

ECONOMY

Japanese automakers worried about U.S. tariffs

Sunday's Asahi claimed that Japan's auto manufacturers are becoming increasingly worried about U.S. trade policy in the view that it has become more likely that the Trump administration will impose restrictions on auto and auto parts imports following its imposition of additional tariffs on China last week. The paper wrote that Japanese automakers are watching closely the next steps to be taken by the Trump administration out of concern that additional duties will inevitably have a major impact on their business.

U.S., Japan may launch new trade talks this month

Sunday's Asahi wrote that the governments of the United States and Japan are making arrangements to launch new talks to discuss "free, fair, and reciprocal" trade in Washington at the end of July or later. The paper speculated that attention will be focused on how Japan will respond to the U.S.'s likely demands for liberalization of the auto and agricultural markets.

Japan notifies New Zealand of completion of domestic procedures to ratify TPP-11

Saturday morning's Asahi wrote that Economic Revitalization Minister Motegi notified Ambassador Payton of New Zealand, the depository of the TPP-11 trade accord, of Japan's completion on Friday of domestic procedures for ratifying the free-trade pact. Japan is the second of the 11 member states to have completed its domestic procedures following Mexico. Motegi reportedly told the press on Friday that he hopes that Japan's completion will have a positive impact on other member countries and provide momentum toward early effectuation of the accord.

Japan, EU to sign EPA

Saturday evening's Nikkei wrote that the EU announced on Friday that it will sign an EPA with Japan on July 11 at its headquarters in Brussels after all 28 member states have approved the accord. Prime Minister Abe is reportedly planning to attend the signing ceremony.

U.S. trade deficit with Japan shrinks 12.6% in May

Kyodo News reported from Washington on Saturday that according to the Commerce Department, the U.S. goods trade deficit with Japan shrank 12.6 % in May from the previous month to \$5.49 billion. The deficit with China, meanwhile, expanded 18.7% to \$33.19 billion, while that with the European Union narrowed 8.6% to \$13.39 billion, the department said.

SECURITY

GOJ, Okinawa to hold meeting on Futenma relocation

Saturday morning's Mainichi wrote that the GOJ announced on Friday that it will hold a working-level meeting with the Okinawa prefectural government and the municipal government of Ginowan on reducing the burden of the Futenma Air Station. This will be the first time for the three parties to hold such a meeting since September 2017.

SOCIETY

EU criticizes executions in Japan

Saturday's Mainichi wrote that the European Union Delegation to Japan issued on Friday a statement on the executions of seven members of the AUM Shinrikyo cult. While criticizing the cult's acts of terrorism and expressing sympathy for the victims, the EU and its member states expressed strong and unequivocal opposition to the use of capital punishment under all circumstances, saying that they aim for the universal abolition of the death penalty in the view that it fails to deter crime. Asahi quoted a Reuters' story as saying that among the Group of Seven, Japan and the U.S. alone retain capital punishment.

